



7373 West Saginaw Highway, Box 30960, Lansing, Michigan 48909-8460
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Date: October 4, 2011

To: Senate Economic Development Committee

Re: Testimony in support of SB 410 & 411

Michigan Farm Bureau is the state's largest general farm organization representing over 48,000 farm family members. Since our founding in 1919, we have maintained a grassroots organizational structure and our policy positions are developed, discussed and adopted by the members every year at our annual meeting.

We urge your support of Senate Bills 410 & 411 that would implement the New International Trade Crossing.

According to a 2009 study by the MSU Product Center, the Michigan Agri-food and Agri-Energy Industry contributes over \$71.3 billion annually to the state's economy. We also employ 1 in 4 workers in the state and grow over 200 different commodities, which is second only to California.

Agriculture like other industry sectors competes in a global market place and as a result, Michigan agriculture has a heavy reliance on exports with Canada. According to the Michigan Department of Agriculture and Rural development, in 2010, over 60% of all Michigan agricultural exports were shipped to Canada totaling more than \$796 million in goods. Since 2003, Michigan agricultural exports to Canada have continued to grow at an average annual rate of approximately 10%. Some of the major agricultural products that are shipped to Canada include: baking goods, soybeans, fruits and vegetables, corn and fresh beef.

Further, the U.S. Department of Agriculture indicates the value of all U.S. agricultural exports equals nearly one-fourth of farm cash receipts, about twice the level of the overall U.S. economy, and 1 out of 3 acres are planted for export.

It is no secret that agriculture is dependent on a sound transportation system to move materials and products to and from farm and market. According to the Michigan Department of Transportation, in 2009, Michigan Agriculture shipped 90% of all freight by truck, 9.6% by rail and less than 1% by aviation and water. These shipments totaled almost 42 million tons of agricultural freight.

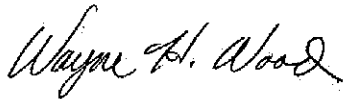
We support SB 410 & 411 as they:

- Create an efficient interstate to interstate connection with new capacity to move agricultural freight to the marketplace and addresses long term strategy to support Michigan's growing agricultural trade with Canada.
- Utilize a competitive bid process. Michigan Farm Bureau members believe that all road construction, improvements, and maintenance projects should include an open bid process.
- Provide a mechanism for Michigan to leverage Canadian dollars to meet our federal match that impacts Michigan federal road projects (section 7 subsection (3)).
- Provide a mechanism for Michigan to jointly construct the International Trade Crossing without additional financial burden. The bill clearly states in section 11 that the state of Michigan is not obligated to repay the Canadian contribution.

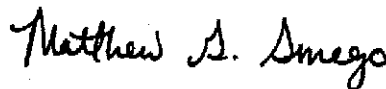
Michigan Farm Bureau recognizes the importance of the state and local road network to agriculture. It has been shown that investment in infrastructure, such as highways and airports, can be directly linked to growth in business and economy. We believe that improving Michigan's transportation system will create jobs, attract business and strengthen our economy.

On behalf of our 48,000 Michigan farm family members, we urge your support for SB 410 & 411.

Sincerely,



Wayne H. Wood
President



Matthew G. Smego
Legislative Counsel